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## FISCAL IMPACT REPORT

SPONSOR Silva ORIGINAL DATE 1/29/06  
LAST UPDATED \_\_\_\_\_ HB 318  
SHORT TITLE Improve NM Wines & Assist Winemakers SB \_\_\_\_\_  
ANALYST Hoffmann

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
\$170.0		Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico Department of Agriculture (NMDA)

Economic Development Department (EDD)

New Mexico Higher Education Department (HED)

### SUMMARY

#### Synopsis of Bill

House Bill 318 appropriates \$170,020 from the general fund for expenditure in FY06 and FY07 to the Board of Regents of New Mexico State University for expenditure by the New Mexico Department of Agriculture to provide assistance to New Mexico winemakers to improve or refine New Mexico wines and to increase public awareness of New Mexico wines.

### FISCAL IMPLICATIONS

The appropriation of \$170,020 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

### SIGNIFICANT ISSUES

This bill declares an emergency making the funds available in fiscal year 2006. The appropriation extends through the end of fiscal year 2007.

This request was not in the list of priority projects submitted by NMSU to the New Mexico Higher Education Department (NMHED) for review; therefore, this request was not included in the department's funding recommendations for FY07.

**OTHER SUBSTANTIVE ISSUES**

According to the New Mexico Department of Agriculture, there are 22 active wineries in New Mexico. The NMDA supports expansion of New Mexico wine market share and consumer awareness, and continues to work with and support the wine industry through marketing and development efforts.

CH/nt